Presswork, Inc. *and* Local 174, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), AFL–CIO. Case 7–CA–32939

July 10, 1992

DECISION AND ORDER

BY CHAIRMAN STEPHENS AND MEMBERS DEVANEY AND OVIATT

Upon a charge filed by the Union on February 20, 1992, the General Counsel of the National Labor Relations Board issued a complaint against Presswork, Inc., the Respondent, alleging that it has engaged in unfair labor practices within the meaning of Section 8(a)(1) and (5) and Section 8(d) of the National Labor Relations Act. Although properly served copies of the charge and complaint, the Respondent has failed to file an answer.

On June 8, 1992, the General Counsel filed a Motion for Default Judgment. On June 10, 1992, the Board issued an order transferring the proceeding to the Board and a Notice to Show Cause why the motion should not be granted. The Respondent filed no response. The allegations in the motion are therefore undisputed.

The National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

Ruling on Motion for Summary Judgment

Section 102.20 of the Board's Rules and Regulations provides that the allegations in the complaint shall be deemed admitted if an answer is not filed within 14 days from service of the complaint, unless good cause is shown. The complaint states that unless an answer is filed within 14 days of service, "all of the allegations in the Complaint shall be deemed to be admitted true and may be so found by the Board." Further, the undisputed allegations in the Motion for Default Judgment disclose that by letter dated April 23, 1992, the regional attorney notified the Respondent that unless an answer was received by May 7, 1992, a Motion for Default Judgment would be filed. Thereafter, by order dated May 7, 1992, the Acting Regional Director, at the Respondent's request, extended the time for filing an answer to May 21, 1992. However, by letter dated June 3, 1992, the Respondent informed the General Counsel that it would not file an answer in this case.

In the absence of good cause being shown for the failure to file a timely answer, we grant the General Counsel's Motion for Default Judgment.

On the entire record, the Board makes the following

FINDINGS OF FACT

I. JURISDICTION

The Respondent, a corporation with an office and place of business in Detroit, Michigan, has been engaged in the manufacture and assembly of small parts for the automotive and airline industry. During the calendar year ending December 31, 1991, a representative period, the Respondent, in the course and conduct of its business operations, sold and shipped from its Detroit, Michigan facility goods valued in excess of $50,000 directly to points outside of Michigan. We find that the Respondent is an employer engaged in commerce within the meaning of Section 2(6) and (7) of the Act, and that the Union is a labor organization within the meaning of Section 2(5) of the Act.

II. ALLEGED UNFAIR LABOR PRACTICES

Since on or about 1970, and at all relevant times, the Union has been the designated exclusive collective-bargaining representative of the Respondent's employees in an appropriate unit, and has been recognized as such by the Respondent in successive collective-bargaining agreements, the most recent of which was effective by its terms for the period September 21, 1988, to September 21, 1991. Since 1970, the Union, by virtue of Section 9(a) of the Act, has been, and is, the exclusive representative of the employees in the bargaining unit for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment, and other terms and conditions of employment. The appropriate bargaining unit consists of:

> All hourly-rated employees but not including office employees, foremen, supervisors, plant protection, quality control supervisors, engineers or professional employees.

Since on or about August 20, 1991, the Respondent has unilaterally failed to make contractually required pension fund contributions and medical insurance premium payments on behalf of unit employees, and has failed, since on or about October 1991, to make the appropriate contractually required severance payments to unit employees. By engaging in such conduct, the Respondent has failed and refused, and is failing and refusing, to bargain collectively and in good faith with the Union as the exclusive bargaining representative of its unit employees, and has engaged in unfair labor practices within the meaning of Section 8(a)(1) and (5) and Section 8(d) of the Act, as alleged.

CONCLUSION OF LAW

By failing and refusing to make contractually required pension fund contributions and medical insurance premium payments on behalf of unit employees, and to make the appropriate contractually required severance payments to unit employees, the Respondent has engaged in unfair labor practices affecting commerce within the meaning of Section 8(a)(1) and (5) and Section 8(d) and Section 2(6) and (7) of the Act.

REMEDY

Having found that the Respondent has engaged in certain unfair labor practices, we shall order it to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act.

The Respondent shall be ordered to make the contractually required pension fund contributions and medical insurance premium payments that have not been made since on or about August 20, 1991,[1] and to make the appropriate contractually required severance payments to unit employees that have not been made since on or about October 1991, with interest on such latter amounts to be computed in the manner prescribed in *New Horizons for the Retarded*, 283 NLRB 1173 (1987). We shall also order the Respondent to make whole unit employees for any expenses they may have incurred as a result of the Respondent's failure and refusal to make the required contractual payments, with interest in the manner prescribed in *New Horizons for the Retarded*, supra.

ORDER

The National Labor Relations Board orders that the Respondent, Presswork, Inc., Detroit, Michigan, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Failing and refusing to bargain collectively and in good faith with Local 174, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), AFL–CIO, which is the recognized exclusive bargaining representative of the Respondent's employees in an appropriate unit, by unilaterally failing and refusing to make contractually required pension fund contributions and medical insurance premium payments on behalf of unit employees, and failing and refusing to make the appropriate contractually required severance payments to unit employees. The appropriate bargaining unit consists of:

> All hourly-rated employees but not including office employees, foremen, supervisors, plant protection, quality control supervisors, engineers or professional employees.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Remit all contractually required pension fund contributions and medical insurance premium payments that have not been made since on or about August 20, 1991, and make all the appropriate contractually required severance payments to unit employees that have not been made since on or about October 1991, with interest, as set forth in the remedy section of this decision.

(b) Make whole unit employees for any expenses they may have incurred as a result of the Respondent's failure to make the contractually required payments, with interest as described in the remedy section of this decision.

(c) Preserve and, on request, make available to the Board or its agents for examination and copying, all payroll records, social security payment records, timecards, personnel records and reports, and all other records necessary to analyze the amounts due under the terms of this Order.

(d) Post at its facility in Detroit, Michigan, copies of the attached notice marked "Appendix."[2] Copies of the notice, on forms provided by the Regional Director for Region 7, after being signed by the Respondent's authorized representative, shall be posted by the Respondent immediately upon receipt and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material.

(e) Notify the Regional Director in writing within 20 days from the date of this Order what steps the Respondent has taken to comply.

[1] Any additional amounts applicable to those payments shall be computed in the manner prescribed in *Merryweather Optical Co.*, 240 NLRB 1213 (1979).

[2] If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

APPENDIX

NOTICE TO EMPLOYEES
POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

The National Labor Relations Board has found that we violated the National Labor Relations Act and has ordered us to post and abide by this notice.

WE WILL NOT fail and refuse to bargain collectively and in good faith with Local 174, International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), AFL–CIO, which is the recognized exclusive bargaining representative of our employees in an appropriate unit, by failing and refusing to make contractually required pension fund contributions and medical insurance premium payments on behalf of unit employees, and failing and refusing to make the appropriate contractually required severance payments to unit employees. The appropriate unit consists of:

All hourly-rated employees but not including office employees, foremen, supervisors, plant protection, quality control supervisors, engineers or professional employees.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce you in the exercise of the rights guaranteed you by Section 7 of the Act.

WE WILL make all contractually required pension fund contributions and medical insurance premium payments on behalf of unit employees that have not been made since August 20, 1991, and all the appropriate contractually required severance payments to unit employees that have not been made since on or about October 1991, with interest.

WE WILL make whole unit employees for any expenses they may have incurred as a result of our failure and refusal to comply with our contractual obligations, with interest.

PRESSWORK, INC.